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PATENT APPLICATION NO: PI 2001 1529

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ABDUL RAHMAN RAMLI
(CERTIFYING OFFICER)
18 September 2001

CERTIFICATE OF FILING

APPLICANT	:	LIM CHEE BENG
APPLICATION NO.	:	PI 20011529
REQUEST RECEIVED ON	:	30/03/2001
FILING DATE	:	30/03/2001
AGENT'S/APPLICANT'S FILE REF.	:	P20010398

Please find attached, a copy of the Request Form relating to the above application, with the filing date and application number marked thereon in accordance with Regulation 25(1).

Date : 05/04/2001

....
(Hasnon Bt. Alang Mohd Rashid)
for Registrar of Patents

To : **LIM CHONG CHUAN**
C/O LIM CHONG CHUAN & ASSOCIATES,
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58200-KUALA LUMPUR
MALAYSIA

FF 09

Patents Form No. 1

PATENTS ACT 1983

REQUEST FOR GRANT OF PATENT

(Regulation 7(1))

To: The Registrar of Patents
      Patent Registration Office
      Kuala Lumpur
      Malaysia

Please submit this Form in duplicate together with the prescribed fee.	Applicant's xxx Agent's file reference: P20010398

THE APPLICANT(S) REQUEST(S) THE GRANT OF A PATENT IN RESPECT OF THE FOLLOWING PARTICULARS:

I.   TITLE OF INVENTION   : CONSUMER LOYALTY MARKETING PROGRAM BASED ON MULTI-TRANSACTION PLATFORM THAT PROVIDES HIGH REWARDS TO MEMBERS UNDER A TIERED REWARD SCHEME

II. APPLICANT(S) (the data concerning each applicant must appear in this box or, if the space is insufficient, in the space below)

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Kuchai Entrepreneurs' Park, Off Jalan Kuchai Lama, 58200 Kuala Lumpur

Nationality: Malaysian

* Permanent residence xxprincipal place of businessx   as above

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30 MAR 2001
Unit Paten
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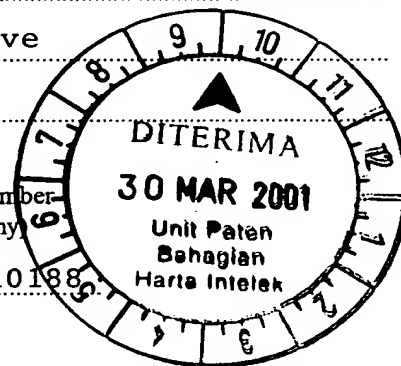
Additional Information (if any)

20011529

* Delete whichever does not apply.

III. INVENTOR

Applicant is the inventor   Yes [✓]   No [ ]

If the applicant is not the inventor:

Name of inventor : ....

Address of inventor : ....

....

A statement justifying the applicant's right to the patent accompanies this Form:

     Yes [ ]   No [ ]

Additional Information (if any)

IV. AGENT OR REPRESENTATIVE

Applicant has appointed a patent agent in accompanying
Form No. 17   Yes [✓]

     No [ ]

Agent's Registration Number : .... PA/86/0009 ....

Applicants have appointed :...
to be their common representative.

V. DIVISIONAL APPLICATION

This application is a divisional application   [ ]

The benefit of the filing date [ ]   priority date [ ]

of the initial application is claimed inasmuch as the subject matter of the present application is contained in the initial application identified below:

Initial Application No. : ....

Date of filing of initial application : ....

VI. DISCLOSURES TO BE DISREGARDED FOR PRIOR ART PURPOSES

Additional information is contained in supplemental box

(a)   Disclosure was due to acts of applicant or his predecessor in title   [ ]

     Date of disclosure : ....

(b)   Disclosure was due to abuse of rights of applicant or his predecessor in title   [ ]

     Date of disclosure : ....

A statement specifying in more detail the facts concerning the disclosure accompanies this Form   Yes [ ]

     No [ ]

Additional Information (if any)

VII. PRIORITY CLAIM (if any)

The priority of an earlier application is claimed as follows:

Country (if the earlier application is a regional or international application, indicate the office with which it is filed): '

....

Filing Date : ....

Application No. : ....

Symbol of the International Patent Classification :

If not yet allocated, please tick ☐

The priority of more than one earlier application is claimed :

   Yes ☐   No ☐

The certified copy of the earlier application(s) accompanies this Form :

   Yes ☐   No ☐

If No, it will be furnished by .... (date)

Additional Information (if any)

VIII. CHECK LIST

A. This application contains the following :

  1. request

  2. description .... 9 .... sheets

  3. claims .... 2 .... sheets

  4. abstract .... 1 .... sheets

  5. drawings .... 2 .... sheets

    Total .... 14 .... sheets

B. This Form, as filed, is accompanied by the items checked below :

  (a) signed Form No. 17

  (b) declaration that inventor does not wish to be named in the patent

  (c) statement justifying applicant's right to the patent

  (d) statement that certain disclosures be disregarded

  (e) priority document (certified copy of earlier application)

  (f) ~~cash~~ cheque, ~~money order, draft or bank or postal order~~ for the payment of application fee

  (g) other documents (specify)

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30 MAR 2001
~~Paten~~
Bahagian
Harta Intelek
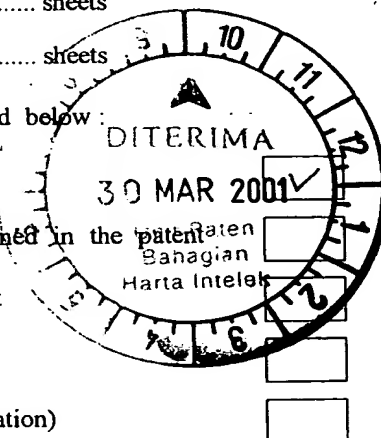
20011529

IX. SIGNATURE .... 30 March 2001
LIM CHONG CHUAN   (Date)
*(Applicant / Agent)

·If Agent, indicate Agent's Registration No. : .... PA/86/0009 ....

For Official Use

1.   Date application received : ....

2.   Date of receipt of correction, later filed papers or drawings completing the application :

        ....

* Type name under signature and delete whichever does not apply.

CONSUMER LOYALTY MARKETING PROGRAM BASED ON MULTI-TRANSACTION PLATFORM THAT PROVIDES HIGH REWARDS TO MEMBERS UNDER A TIERED REWARD SCHEME

TECHNICAL FIELD

5   The present invention relates generally to consumer loyalty marketing programs. Particularly, the present invention relates to a computerized method and system, which generates, communicates and manages a tiered reward scheme to its members, the reward being many times more than the amount any member consumer has spent within a program period.

BACKGROUND ART

10   Computerized methods and systems for promoting consumer loyalty are well known. These methods and systems are generally designed to reward a member for exhibiting certain behavior preferred by a loyalty program operator. The reward programs are either one of the following three categories, namely

15   reward accrual programs, tiered reward programs and specialty programs.

In reward accrual programs, the rewards are usually only of a very small monetary value or a very small fraction (such as 1%) of the value of total transactions carried out during a time period. The rewards take the form of accrued (loyalty) points, which are later redeemed, whence an eligible member

20   of a loyalty marketing program buys a similar line of products or services from the operator of the loyalty program. The program is often limited to a geographic location or to a limited group of special consumers (such as frequent flier). They are therefore limited in value or appeal.

A system and method for administering a tiered reward program is disclosed in

25   the United States Patent Number 5,025,372 by Burton et. al. This patent describes a system for processing and distributing rewards based on a participant's achieving a predefined level of performance. The predefined

performance levels are selected by a sponsoring company and the rewards are limited to credits to the cardholder ' s account.

The United States Patent Number 6,018,718 discloses a method for providing and managing a customized reward offer to a holder of a financial account. The method includes the steps of accessing historical account data associated with the financial account, determining a first performance target associated with the financial account, selecting a reward offer having an associated reward description, transmitting the first performance target and the reward description to the account holder, collecting transaction data associated with the financial account, evaluating the collected transaction data to determine a second performance target associated with the financial account, and comparing the collected transaction data with said first performance target. If the collected transaction data exceeds the first performance target, the financial account is updated to reflect the reward.

Although tiered reward programs encourage a consumer or cardholder to spend more or perform at a higher level, there are significant shortcomings. A first shortcoming is that the rewards are predetermined for the entire population of participating cardholders or consumers. A cardholder or consumer who is not interested in the offered rewards will not be motivated to perform at a higher level. Another shortcoming of tiered reward programs is that they encourage the same type of activity for every cardholder without regard to the consumers ' other needs and purchasing patterns.

Specialty programs are tailored to a particular group of cardholders who conforms to certain behaviors identified by the program operator. Again, loyalty points are issued and they are later redeemed. Such specialty programs have similar shortcomings to the accrual and tiered reward programs described above.

All existing loyalty marketing programs require a member to spend within a time period such as one year. In return, the member receives a reward equal in value to approximately 1% of total spending. Members, with a lot of spending

power, are not interested in such a small reward. On the other hand, some members, who are attracted by the rewards, may not have the required spending power to claim the attractive rewards and more valuable rewards. They could not spend enough to claim the reward.

SUMMARY OF THE INVENTION

A primary object of the invention is to give equal opportunities to all members of a consumer loyalty marketing program to compete for a loyalty reward, where the value of the reward is many times larger than the total transaction value any individual member may have spent under a program.

A second object of the invention is to introduce a tiered scheme to the above-mentioned program, where there may be more than one prize or reward for each program.

A third object of the invention is to randomly select a reward recipient by computer or manually, with or without having to answer a quiz correctly.

Another object of the invention is that the reward is awarded in monetary value or in kind.

Yet, another object of the invention is to carry forward the opportunities of a present program to subsequent programs, where a few programs are run in a series.

Yet, another object of the invention is that the consumer loyalty marketing program can be operated on a global basis.

Accordingly, a consumer loyalty marketing program based on a multi-transaction platform that provides high rewards to member consumers under a tiered reward scheme, involving electronic input means, a computer server, member consumers, member merchant outlets and a program operator, comprises the steps of:

registering a member consumer and creating a member record in a computer server;

registering a member merchant outlet and creating a member merchant record;

recording all transactions made by member consumers in a transaction record;

5   issuing loyalty numbers to member consumers following their individual levels of spending according to pre-determined rules of the program;

randomly selecting at least one potential reward recipient from a database of participating member consumers, when a target is reached according to pre-determined rules of the program;

10   answering a quiz correctly to claim and receive the rewards from the tiered reward scheme on an optional basis; and

updating all records therein the computer server after each selection of the program.

BRIEF DESCRIPTION OF THE DRAWINGS

15   The above objects and other features will become apparent from the detailed description below, when read in connection with the accompanying drawings.

Figure 1 shows one example of system architecture to implement the invention.

Figure 2 shows a workflow of the invention.

DETAILED DESCRIPTION

20   As seen in Figure 1, the invention is served by a central computer system, which operates the invention. A member consumer can make a transaction on a global basis, preferably using whatever electronic point of sales (POS) means, such as cash, credit card, debit card, internet, WAP, LAN and so on. The input information will be entered into the computer server. Additionally, the

25   invention can be activated at any member merchant outlet, in any country, using any transaction platform such as cash, cheque, money order, and so on. The purchase particulars are either automatically or manually keyed into the computer system operating the invention.

Figure 2 illustrates the essential steps outlining the workflow of the invention.

In Step A, a member consumer is registered and a member record created in a computer server. A member of the public subscribes to a consumer loyalty marketing program in accordance to the teaching of the present invention. His or her personal particulars are registered in a central database. The particulars include the following:

Photographic image

Surname

First name

Address

Email

Expiry date

Membership number

Credit card number

Password

Personal Identity (ID) or Personal Identification Number (PIN)

And other particulars deemed necessary to describe the member

The member consumer is then issued a membership card in the form of a magnetic strip card or a smart card with an embedded chip. A financial account in the form of a member record is raised and maintained in the server.

In Step B, a member merchant outlet is registered and a member merchant record created. A merchant applies to be registered with the loyalty program. The merchant includes B & M merchant, eCommerce merchant, mobile commerce merchant or any other types of merchant retailer, or service provider.

The merchant outlet particulars include the following:

Company Name

Contact Surname

First name

Address

Email

Expiry date

Merchant Outlet Identification Number

Password

5 Personal Identity (ID) or Personal Identification Number (PIN)

And other particulars deemed necessary from time to time

In Step C1, all transactions made by member consumers are recorded in a transaction record. A member consumer of the loyalty program makes a purchase at any member merchant outlet. His identification is verified. The

10 value of the transaction is entered into the computer system and his financial account is then updated.

In Step C2, loyalty numbers are issued to member consumers following their individual levels of spending according to pre-determined rules of the program. Based on predetermined criteria and formula, the loyalty program automatically

15 calculates the amount of the rebates to be paid by the member merchant outlet, as well as the loyalty number(s) to be awarded to the member consumer.

The loyalty program operator determines firstly a percentage of the rebate is to be given by or received from the member merchant outlet. The operator then decides on another percentage of the cumulative rebates in total, such as 50%

20 of the total rebates, which contributes to the reward prize at each selection. The rebate scheme can vary for each member merchant outlet. For an example, at a certain member merchant outlet, a purchase of $50 qualifies for 1% rebate and $200 qualifies for 1.5% rebate and so on. Additionally, a purchase of $50 qualifies for 1% rebate at merchant outlet A, but a purchase of $50 qualifies for

25 2% rebate at merchant outlet B. The program also allows different conditions to be applied. For an example, where the purchase value is transacted via the internet or any other communication network using magnetic or smart card reader, the loyalty program can calculate an appropriate rebate that the member merchant has agreed to give.

For the ease of explanation, the transaction value is expressed in dollars. It is to be understood that the transaction can also be operated in local currencies with appropriate exchange schemes, when the program is operated globally.

Loyalty numbers are issued by the computer system automatically to eligible
5 members. The quantum of loyalty numbers issued depends on certain pre-determined rules. For every transaction, the server system computes the value of a transaction and awards the member with an appropriate quantum of loyalty numbers, according to the rules. If the transaction value meets a predetermined basic criterion, an award of loyalty numbers is made. For an example, one
10 loyalty number is awarded for every transaction value between $10 and $100. Alternatively, one loyalty number is awarded for every transaction value of $50. If the transaction value meets a second criterion, a second award can also be offered. For an example, a second loyalty number is awarded for every transaction between $101 and $500. If the transaction value meets other
15 criteria, other award is offered, such as a third loyalty number is offered for any transaction above $501.

In Step D, each member consumer record in the database will carry information, such as the transaction value, the member merchant outlet ID, the rebate to be given, and the loyalty numbers as generated by the loyalty
20 program. For illustration, an example of a member record is shown below: -

Item	Date	Merchant ID	Transaction Value	Loyalty No(s).	Received
1	03/03/2001	MY123456	$250.00	1234 4567 7891 1234	Yes
2	04/03/2001	MY343949	$500.00	1234 3344 8976 3456	No

The "Received" column is provided as a follow-up to indicate whether the rebate as promised by the member merchant has been received by the program operator or not.

In Step E, a merchant outlet record is maintained for each member merchant
25 outlet. For a pre-determined time period or run of the program, a percentage of

the total transaction value made by all members at this outlet is calculated and then debited against appropriate member merchant outlets. The member merchant outlets have to pay the program operator on that basis. This can be considered as the management fee of the loyalty program. An example of the
5   merchant outlet record is illustrated below: -

Item	Date	Member ID	Transaction Value	Loyalty No(s).	Received
1	03/03/2001	1234567890	$250.00	1234 4567 7891 1234	Yes
2	04/03/2001	2349865343	$500.00	1234 3344 8976 3456	No

In Step F, a countercheck measure is provided. A master record is also maintained of the dates of transactions, the merchant outlet ID, the member (consumer) ID, the loyalty numbers generated in accordance with every transaction, rebates being paid or not. An example of the master transaction
10   record is illustrated below: -

Item	Date	Member ID	Merchants ID	Loyalty No(s).	Received
1	03/03/2001	1234567890	MY123456	1234 4567 7891 1234	Yes
2	04/03/2001	2349865343	MY343949	1234 3344 8976 3456	No
3	05/03/2001	2389232382	MY102102	1234 4567 7891 1236	Yes

Whenever a transaction is made, all three records are updated simultaneously, serving to counter-check one against the other.

In Step G, at least one potential reward recipient is randomly selected from a database of participating members. When the total quantum of loyalty numbers
15   reaches a pre-determined number, the software program in the server will alert and notify the program operator. For an example, the target can be 1 million transactions, or total transaction value of $100 million dollars, or 1 million loyalty numbers, or a stipulated time period such as 30 days or a year.

The computerized loyalty program can randomly select one number as the
20   potential reward recipient of a principal prize reward, or randomly select other

number(s) as reward recipient(s) of other minor prize(s). Alternatively, a physical and manual ball-drop process is employed. It is important to note that the selection of the potential recipients is according to a tiered scheme. The tiered scheme includes a principal prize, and other minor prizes, in cash or in kind.

With a global network of member consumers and member merchant outlets, it is envisaged that as the program becomes more popular, a selection of a recipient for a million dollars reward is possible on a weekly or even daily basis.

In Step H, each potential recipient may be required to answer a quiz correctly before collecting the prize. This is an optional requirement.

Where a selection process signifies the end of a program according to pre-determined rules, all the loyalty numbers issued previously are rendered null and void. New set of loyalty numbers are issued in the subsequent program.

In Step I, where a few programs are run as a series according to pre-determined rules, all loyalty numbers issued are retained until the end of the series. Each number enjoys an opportunity to be included in all subsequent selection processes. Only at the end of the series, these loyalty numbers are rendered null and void. After the first selection process, all those previously issued loyalty numbers are carried forward to the next program. Only after the last selection process, all loyalty numbers are rendered null and void. Relevant member consumer records, member merchant outlet records and transaction records are then "emptied" accordingly.

CLAIMS

1) A consumer loyalty marketing program based on multi-transaction platform that provides a high reward to members under a tiered reward scheme, involving electronic input means, a computer server, member consumers, member merchant outlets and a program operator, comprises the steps of:

registering a member consumer and creating a member record in a computer server;

registering a member merchant outlet and creating a member merchant record;

recording all transactions made by member consumers in a transaction record;

issuing loyalty numbers to member consumers following their individual levels of spending according to pre-determined rules of the program;

randomly selecting at least one potential reward recipient from a database of participating members, when a target is reached according to pre-determined rules of the program;

answering a quiz correctly to claim and receive the rewards from the tiered reward scheme on an optional basis; and

updating all records therein the computer server after each selection of the program.

2) A consumer loyalty marketing program as in Claim 1 in which the issuance of loyalty numbers follows certain pre-determined rules of the program.

3) A consumer loyalty marketing program as in Claim 1 or 2 in which one or more loyalty numbers are randomly selected by the computer, as the potential reward recipients for each program, according to pre-determined rules of the program.

4) A consumer loyalty marketing program as in Claim 1 or 2 in which one or more loyalty numbers are manually and randomly selected, as the potential reward recipients for each program, according to pre-determined rules of the program.

5) A consumer loyalty marketing program as in Claim 1 in which the program is operated electronically on a global basis.

6) A consumer loyalty marketing program as in Claim 1 in which a computerized member consumer record includes at least loyalty numbers issued for each qualified transaction;

a computerized member merchant outlet record includes agreed rebates after each qualified transaction;

a master record of all transactions,

whereas all three records are used as a countercheck measure against one another.

7) A consumer loyalty marketing program as in Claim 1 in which a few programs can be run in a series according to pre-determined rules, while all previously issued loyalty numbers are considered for subsequent selection process of potential reward recipients until the end of the series, and all such numbers are rendered null and void at the end of the series.

8) A consumer loyalty marketing program as in Claim 1 in which all previously issued loyalty numbers are rendered null and void, where the selection process signifies the end of a program according to pre-determined rules of the program.

CONSUMER LOYALTY MARKETING PROGRAM BASED ON MULTI-TRANSACTION PLATFORM THAT PROVIDES HIGH REWARDS TO MEMBERS UNDER A TIERED REWARD SCHEME

ABSTRACT

5   According to the invention, a customer loyalty marketing program is based on a multi-transaction platform that provides high rewards to member consumers under a tiered reward scheme. The invention includes the steps of registering a member consumer and creating a member record in a computer server; registering a member merchant outlet and creating a member merchant record;

10   recording all transactions made by member consumers in a transaction record; issuing loyalty numbers to member consumers following their individual levels of spending according to pre-determined rules of the program; randomly selecting at least one potential reward recipient from a database of participating members, when a target is reached according to pre-determined rules of the

15   program; answering a quiz correctly to claim and receive the rewards from the tiered reward scheme on an optional basis; and updating all records therein the computer server after each selection of the program.

The random selection for each program can be computer-generated or manually generated.

20   There can be more than one prize reward in each program. A few programs can be run in a series. At the end of the series, the loyalty numbers are rendered null and void.
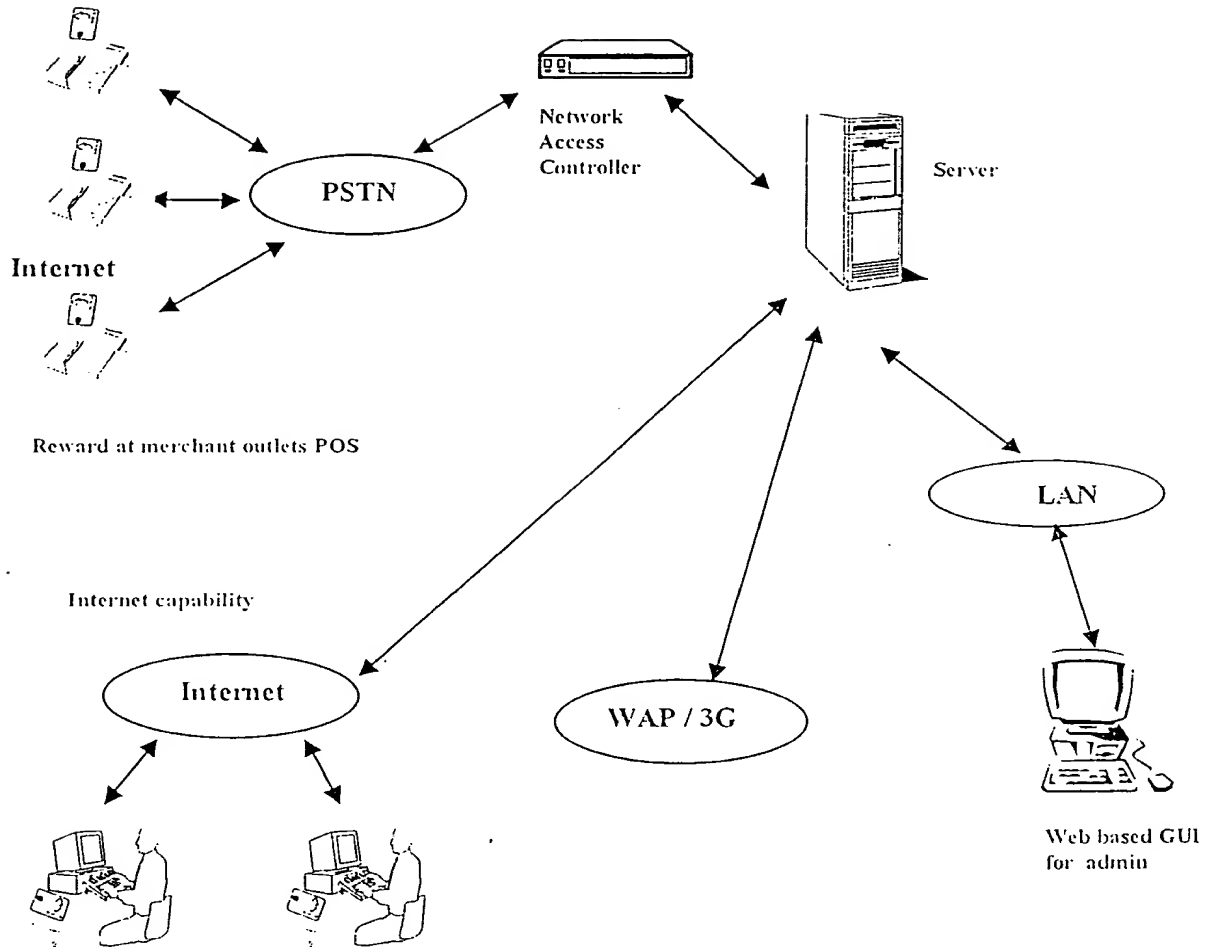
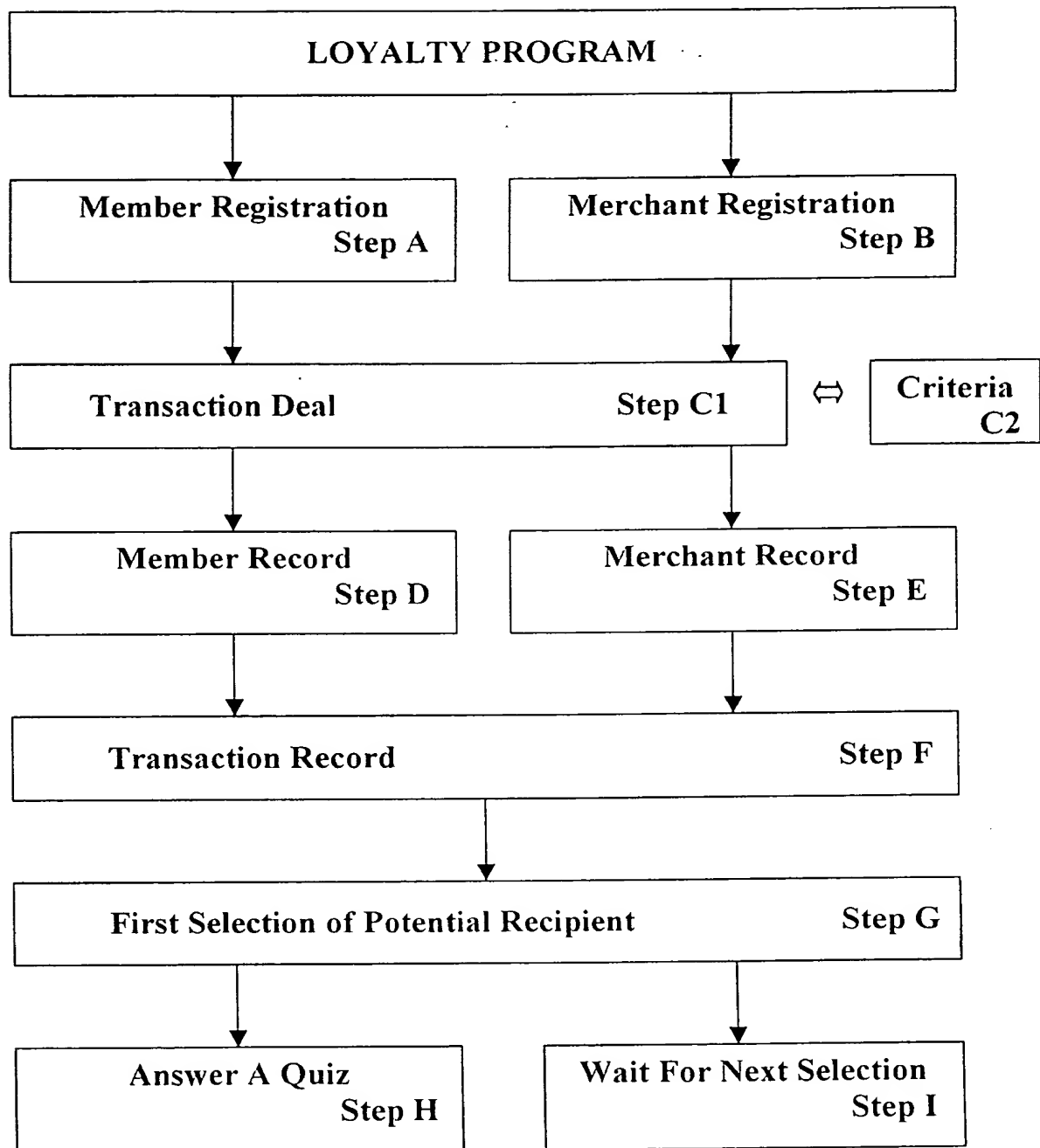(Figure 2)

SYSTEM OVERVIEW

Figure 1

LOYALTY PROGRAM

Member Registration
Step A

Merchant Registration
Step B

Transaction Deal   Step C1   ⇔   Criteria
C2

Member Record
Step D

Merchant Record
Step E

Transaction Record   Step F

First Selection of Potential Recipient   Step G

Answer A Quiz
Step H

Wait For Next Selection
Step I

Figure 2